Collection of Wealth -Tax

*320. SHRI S. RAMACHANDRAN PILLAI : Will the Minister of FINANCE be pleased to state:

(a) whether there has been a decline in number of Wealth - Tax assessees from 5.45 lakhs in 1994-95 to 2.25 lakhs in 1998-99;

(b) whether collection of Wealth -Tax was Rs .162 crores against the demand of Rs. 1003 crores in 1998-99;

(c) if so , the reasons for the downfall ;

(d) the remedial measures taken by Government ; and

(e) what are the comparative figures of Wealth -Tax assessees and collections for the year 2000- 2001?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) (a) Yes, Sir.

(b) Yes, Sir.

(c) The number of Wealth -tax assessees is declining progressively because of the fact that with effect from A.Y. 1993 -94 only non-productive assets are being charged to wealth -tax . Further assessees may also be making investments in exempt productive assets such as Bonds , shares securities , fixed deposits, etc. for the purpose of availing the benefits of exemption from wealth -tax. Another reason for the decline in the number of assessees is that the exemption limit for filing of wealth -tax returns has been raised to Rs. 15 lakhs with effect from A.Y.1993-94. Consequent , smaller wealth -tax assessees have gone out of the tax net. However , we are left with bigger assessees who are contributing accordingly to the State Exchequer.

Further , the reason why the entire demand cannot be immediately collected is that most of the outstanding demand is under litigation. These amounts also include demands not fallen due, demands paid but pending verification and demands stayed by Courts/Settlement Commission/Appellate Tribunals and various Income-tax Authorities.

(d) The recovery of outstanding taxes is a continuous process involving attachment of bank accounts, levy of penalty, use of coercive measures such as

attachment and sale of movable and immovable properties, arrest of defaulters, etc. High priority is accorded to the area of recovery of taxes. Periodical reviews and monitoring of high demand cases are made by higher authorities on a continuous basis and necessary instructions are issued from time to time for effecting recovery of demand.

(e) The number of Wealth-tax assessees as on 31-3-2001 is 2.02 lakhs. The Wealth-tax collection for F.Y. 2000-2001 is Rs. 131.73 crores.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Regular flights for Kanpur

2275. DR. SWAMI SAKSHI JI MAHARAJ : Will the Minister of CIVIL AVIATION be pleased to state :

(a) whether it is a fact that Kanpur which is the commercial capital of Uttar Pradesh has been deprived of regular IA/AI flights;

(b) if so, the reasons therefor; and

(c) the steps being taken to provide Kanpur with regular air flights ?

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN) : (a) and (b) Indian Airlines was operating flights connecting Kanpur till 1992 by B-737 aircraft (126 seater). Carriage of passengers per flight ranged between 5 to 35 on Delhi-Kanpur and 5-16 on Kanpur-Delhi sector. Therefore these flights were discontinued due to inadequate passenger demand.

(c) Airlines operators are free to operate on any sector subject to compliance with the Route Dispersal Guidelines and commercial viability.

Electronic tickets for domestic travellers

2276. SHRI RUMANDLA RAMACHANDRAIAH : Will the Minister of CIVIL AVIATION be pleased to state :

(a) whether lack of consensus among the domestic airlines is holding back introduction of electronic tickets for domestic travellers;

(b) if so, whether the International Air Transport Association has yet to get a mandate from the domestic airlines to push for changes in regulations with